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# **FHA Portfolio Analysis**

**Data as of November 2005**

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**Federal Housing Administration Monthly Report  
FHA Portfolios Summary  
November 2005**

<b>PORTFOLIO</b>	<b>NUMBER</b>	<b>DOLLARS (Billions)</b>	<b>CHANGE FROM PRIOR YEAR</b>
<b>Single Family Insured</b>	<b>4,141,175</b>	<b>\$ 351.5</b>	<b>-12.6%</b>
<b>Multifamily Insured</b>	<b>12,493</b>	<b>\$ 56.2</b>	<b>0.8%</b>
<b>Title I Property Improvement Insured</b>	<b>38,056</b>	<b>\$ 0.6</b>	<b>-26.9%</b>
<b>Title I Manufactured Housing Insured</b>	<b>27,526</b>	<b>\$ 0.8</b>	<b>-15.7%</b>
<b>Single Family Notes</b>	<b>316</b>	<b>\$ 0.01</b>	<b>-17.1%</b>
<b>Multifamily Notes</b>	<b>2,958</b>	<b>\$ 3.8</b>	<b>1.2%</b>
<b>Accelerated Claims Disposition Notes</b>	<b>4,668</b>	<b>\$ 0.5</b>	<b>-20.4%</b>
<b>Title I Notes</b>	<b>25,503</b>	<b>\$ 0.3</b>	<b>-18.1%</b>
<b>Single Family Properties</b>	<b>29,555</b>	<b>\$ 2.9</b>	<b>12.4%</b>
<b>Multifamily Properties</b>	<b>1</b>	<b>\$ -</b>	<b>-100.0%</b>

## ***Multifamily Insured Portfolio***

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### **Endorsements**

- Through the second month of this fiscal year, FHA endorsed a total of 87 multifamily mortgages compared to 103 multifamily mortgages in the same period of FY 2005.
- For the month of November, new construction and substantial rehabilitation mortgages totaled 12 for \$125.8 million.
- Through the second month of FY 2006, the number of Section 221(d)(4) mortgages was 19 insured for \$167.3 million.

### **Insurance-in-Force**

- As of November 30, 2005, the dollar volume of FHA's multifamily insurance-in-force was \$56.2 billion, less than one percent above the amount for the same time a year ago.
- Since November 2004, the number of FHA multifamily insured mortgages declined 4.1 percent to 12,493.

### **Prepayments**

- October through November FY 2006, the number of prepayments totaled 114 for \$605.4 million, compared to 108 prepayments for \$345.5 million for the same period during FY 2005.

### **Claims**

- The number of claims processed through the end of November 30, 2005, was 20 for \$28.5 million, compared to 37 claims for \$132.5 million for the same period a year ago.

**Federal Housing Administration Monthly Report**  
***Multifamily Insured Portfolio***

	Current Month Nov 2005			Current FYTD Oct 2005-Nov 2005			Prior FYTD Oct 2004-Nov 2004			Percent Change Dollars
	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	
<b>Insurance in Force(Beginning)</b>	<b>12,545</b>	<b>1,491,310</b>	<b>\$56,392.1</b>	<b>12,581</b>	<b>1,497,273</b>	<b>\$56,426.6</b>	<b>13,108</b>	<b>1,561,187</b>	<b>\$55,996.1</b>	<b>0.8%</b>
<b>FY Prepayments(-)</b>	(75)	(7,453)	(\$510.1)	(114)	(12,523)	(\$605.4)	(108)	(11,017)	(\$345.5)	75.2%
<b>FY Claim Terminations(-)</b>	(17)	(1,555)	(\$25.0)	(20)	(1,803)	(\$28.5)	(37)	(3,321)	(\$132.5)	-78.5%
<b>FY Endorsements(+)</b>	58	6,300	\$684.9	87	8,829	\$826.1	103	12,815	\$626.4	31.9%
FY Endorsements by Mortgage type										
New Construction/Sub Rehab	12	1,905	\$125.8	20	3,259	\$208.6	22	2,952	\$190.5	9.5%
Refinance	34	3,896	\$493.8	51	4,624	\$543.6	54	7,308	\$390.9	39.1%
Supplemental/Equity	1	0	\$57.6	1	0	\$57.6	0	0	\$0.0	N/A
Operating Loss	0	0	\$0.0	0	0	\$0.0	0	0	\$0.0	N/A
Portfolio Re-engineering	11	499	\$7.7	15	946	\$16.3	27	2,555	\$45.0	-63.7%
FY Endorsements by Program type										
Rental Housing										
Section 221(d)(3) & 236	7	274	\$4.8	20	673	\$27.4	6	283	\$21.7	26.1%
Section 221(d)(4)	13	1,689	\$105.9	19	2,675	\$167.3	40	4,366	\$204.3	-18.1%
Other Rental	16	2,045	\$64.7	20	2,470	\$83.0	29	4,881	\$221.3	-62.5%
Risk Share	4	558	\$23.0	8	1,079	\$51.8	11	1,415	\$65.5	-20.9%
Health Care Facilities										
Nursing Homes	13	1,455	\$400.3	15	1,653	\$410.2	12	1,610	\$94.8	332.6%
BoardCare	1	101	\$9.3	1	101	\$9.3	1	46	\$2.6	257.7%
Assisted Living	3	178	\$19.4	3	178	\$19.4	4	214	\$16.1	20.5%
Hospitals	1	0	\$57.6	1	0	\$57.6	0	0	\$0.0	N/A
<b>Prior FY Prepayments(-)</b>	(17)	(3,254)	(\$210.1)	(41)	(6,617)	(\$231.6)	(39)	(4,924)	(\$155.1)	
<b>Prior FY Claims(-)</b>	(1)	(48)	(\$1.1)	(1)	(48)	(\$1.1)	(2)	(160)	(\$4.6)	
<b>Prior FY Endorsements(+)</b>	0	0	\$0.0	1	151	\$7.4	0	0	\$0.0	
<b>Adjustments</b>	0	0	(\$97.8)	0	38	(\$160.5)	6	411	(\$172.2)	
<b>Insurance in Force(Ending)</b>	<b>12,493</b>	<b>1,485,300</b>	<b>\$56,232.9</b>	<b>12,493</b>	<b>1,485,300</b>	<b>\$56,232.9</b>	<b>13,031</b>	<b>1,554,991</b>	<b>\$55,812.6</b>	<b>0.8%</b>

Note: Dollars represent original mortgage amount for endorsements and unpaid principal balance for insurance in force and terminations.  
Units are not counted for Supplemental, Equity or Operating Loss mortgages.

## ***Multifamily Notes and Properties***

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### **Notes**

- The multifamily note inventory compared to last year increased by 1.2 percent in dollars to \$3.8 billion and increased in number from 2,810 to 2,958 notes as of November 30, 2005.
- As of November 30, 2005, multifamily note assignments decreased to 39 from 63 note assignments for the same time last year and the dollar amount of the notes assigned was \$75.9 million, which was 60.1 percent below the dollar amount reported for the same period a year ago.

### **Properties**

- At the end of November 30, 2005, the balance of the property inventory was 1 with no cost to HUD compared to 2 for \$7.4 million for the same period a year ago, a decrease of 100 percent in dollars.

**Federal Housing Administration Monthly Report**  
**Multifamily Notes and Properties**

	Current Month Nov 2005			Current FYTD Oct 2005-Nov 2005			Prior FYTD Oct 2004-Nov 2004			Percent Change Dollars
	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	
<b>Notes(Beginning)</b>	<b>2,948</b>	<b>225,742</b>	<b>\$3,787.0</b>	<b>2,942</b>	<b>225,507</b>	<b>\$3,717.2</b>	<b>2,781</b>	<b>209,969</b>	<b>\$3,602.7</b>	<b>3.2%</b>
Pay Offs(-)	(8)	(417)	(\$5.5)	(11)	(1,088)	(\$18.4)	(17)	(1,608)	(\$23.9)	-22.7%
Conversions(-)	0	0	\$0.0	0	0	\$0.0	0	0	\$0.0	N/A
Sales(-)	0	0	\$0.0	(1)	(234)	(\$4.6)	(8)	(556)	(\$22.6)	-79.6%
Assignments/Seconds(+)	29	3,178	\$57.7	39	4,318	\$75.9	63	7,267	\$190.0	-60.1%
Assignments/Seconds by type										
Portfolio Re-engineering	15	886	\$9.3	20	1,249	\$15.2	46	3,718	\$57.6	-73.5%
Other Assignments	14	2,292	\$48.5	19	3,069	\$60.6	17	3,549	\$132.4	-54.2%
Adjustments	(11)	(709)	(\$16.9)	(11)	(709)	\$52.3	(9)	(1,002)	\$29.8	
<b>Notes(Ending)</b>	<b>2,958</b>	<b>227,794</b>	<b>\$3,822.4</b>	<b>2,958</b>	<b>227,794</b>	<b>\$3,822.4</b>	<b>2,810</b>	<b>214,070</b>	<b>\$3,776.1</b>	<b>1.2%</b>
<b>Properties(Beginning)</b>	<b>1</b>	<b>0</b>	<b>\$0.0</b>	<b>1</b>	<b>0</b>	<b>\$0.0</b>	<b>2</b>	<b>315</b>	<b>\$7.4</b>	<b>-100.0%</b>
Conversions(+)	2	229	\$4.1	2	229	\$4.1	0	0	\$0.0	N/A
Sales(-)	(2)	(229)	(\$4.1)	(2)	(229)	(\$4.1)	0	0	\$0.0	N/A
<b>Properties(Ending)</b>	<b>1</b>	<b>0</b>	<b>\$0.0</b>	<b>1</b>	<b>0</b>	<b>\$0.0</b>	<b>2</b>	<b>315</b>	<b>\$7.4</b>	<b>-100.0%</b>

Note: Dollars represent assignment amount for notes and acquisition cost for properties; Data for notes are from Oct 20-Nov 20 for current month and from Oct 1 - Nov 20 for FYTD.

Data for properties are from Nov 1-Nov 30 for current month and from Oct 1 - Nov 30 for FYTD

Units are not counted for Supplemental, Equity, or Operating Loss mortgages that are not in the first position.

The remaining property in the inventory is a Title X Land Development property, it lists an acquisition cost of \$1 and has no units.

## *Single Family Insured Portfolio*

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### **Insurance-in-Force**

- From the end of November 2004 to the end of November 2005, FHA single family insurance-in-force decreased by 595,312 insured mortgages. This was a drop of 12.6 percent to 4,141,175 in number of active mortgages.
- At the end of November 2005, the dollar amount of insurance-in-force had decreased 11.2 percent from a year ago.

### **Prepayments**

- Through the second month of FY 2006, single family prepayments totaled 160,027; 16 percent below the number of prepayments reported during this same period in FY 2005.

### **Claims**

- Single family claim terminations processed through the end of November 2005 have decreased 19 percent to 9,829 compared to the number of claims processed during the same period a year ago.

### **Endorsements**

- For the first two months of FY 2006, FHA endorsed 73,061 mortgages, totaling \$9 billion, 25 percent under the number reported during the same period a year ago.
- Through November of this fiscal year, Mutual Mortgage Insurance Fund endorsements decreased by 25 percent to 68,197 from 90,452 through November of FY 2005.
- October through November of FY 2006, the number of condominium mortgages decreased by 28 percent to 4,240 from the 5,852 reported for the same period during FY 2005.
- Loans to purchase and improve homes under Section 203(k) decreased 23 percent to 512 for the first two months of FY 2006 from the 667 reported during the same period last year.
- For the first two months of FY 2006, the number of adjustable rate mortgages (ARM's) was 3,192, a decrease of 75 percent from the same period during the prior fiscal year; fixed rate mortgages (FRM's) decreased 17 percent to 69,869 mortgages.
- Refinancings have decreased 33 percent in number from 27,923 in the first two months of FY 2005 to 18,745 during the same period for FY 2006.
- Through November FY 2006, the number of HECM endorsements totaled 9,528 for \$1.5 billion, a 57 percent increase over the 6,076 mortgages for \$827.2 million reported for same period of FY 2005, and HECM refinancings totaled 1,981.

**Federal Housing Administration Monthly Report**  
**Single Family Insured Portfolio**

	Current Month Nov 2005		Current FYTD Oct 2005-Nov 2005		Prior FYTD Oct 2004-Nov 2004		Percent Change (Number)
	Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Insurance-in-Force (Beginning)</b>	4,190,931	\$ 354,828.3	4,238,032	\$ 359,264.9	4,844,634	\$ 404,872.0	-13%
Prepayments(-)	(79,844)	\$ (7,232.4)	(160,027)	\$ (14,759.1)	(191,644)	\$ (18,369.5)	-16%
Claim Terminations(-)	(4,886)	\$ (435.3)	(9,829)	\$ (869.5)	(12,087)	\$ (1,070.4)	-19%
Endorsements(+)	35,215	\$ 4,347.4	73,061	\$ 9,035.8	97,115	\$ 11,542.2	-25%
<i>Endorsements by Program</i>							
MMIF	32,854	\$ 4,032.6	68,197	\$ 8,388.5	90,452	\$ 10,714.0	-25%
GIF/SRIF	2,361	\$ 314.8	4,864	\$ 647.4	6,663	\$ 828.3	-27%
234 Condo	2,064	\$ 273.5	4,240	\$ 562.6	5,852	\$ 722.2	-28%
203(k) Improvement	256	\$ 36.3	512	\$ 71.6	667	\$ 91.4	-23%
Other	41	\$ 5.0	112	\$ 13.2	144	\$ 14.7	-22%
<i>Endorsements by Type</i>							
Adjustable Rate Mortgages	1,478	\$ 224.8	3,192	\$ 485.6	12,916	\$ 1,886.6	-75%
Fixed Rate Mortgages	33,737	\$ 4,122.6	69,869	\$ 8,550.2	84,199	\$ 9,655.7	-17%
<i>Endorsements by Purpose</i>							
Refinancings	9,067	\$ 1,133.7	18,745	\$ 2,340.8	27,923	\$ 3,136.8	-33%
Purchases	26,148	\$ 3,213.7	54,316	\$ 6,695.1	69,192	\$ 8,405.4	-21%
<i>Hecm Program*</i>							
HECM Endorsements	4,700	\$ 724.7	9,528	\$ 1,466.4	6,076	\$ 827.2	57%
HECM Refiancings	294	\$ 38.8	1,981	\$ 291.5	NA	NA	
HECM In-Force	127,607	\$ 11,880.8	127,607	\$ 11,880.8	81,578	\$ 7,482.3	56%
<i>Endorsements by Credit Processing*</i>							
FHA	NA	NA	NA	NA	NA	NA	
FHLMC Scorecard	NA	NA	NA	NA	NA	NA	
FNMA Scorecard	NA	NA	NA	NA	NA	NA	
Adjustments	(241)	\$ (10.9)	(62)	\$ (1,175.1)	(1,531)	\$ (1,104.6)	
<b>Insurance-in-Force (Ending)</b>	4,141,175	\$ 351,497.1	4,141,175	\$ 351,497.1	4,736,487	\$ 395,869.7	-13%

Note: Dollars represent unpaid balance.

\* Data Source for HECM is the HECM Detail Case



## ***Single Family Notes and Properties***

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### **Notes**

- The single family notes inventory declined by 17 percent in the first two months of FY 2006 from the same period in FY 2005.
- Through November 2005 the number of notes on which FHA foreclosed, resulting in conversions to properties, was 3 compared to 9 converted during October and November 2004.

### **Accelerated Claims Disposition Notes**

- Liquidations of REO in the first two months of FY 2006 exceeded by 14 percent the liquidations in the same period in FY 2005, while the count of notes liquidated increased 106 percent over the same period.
- Additions to the inventory have decreased 61 percent when comparing the first two months of FY 2006 with the same period in FY 2005.
- The inventory of notes at the end of November 2005 was down 20 percent from the end of November 2004.

### **Properties**

- The single family property inventory had 29,555 properties at the end of November FY 2006, an increase of 12 percent over a year ago.
- Property sales numbered 7,776 in the first two months of FY 2006, compared to 10,596 for the same period in FY 2005.
- During the month of November 2005, conveyances exceeded sales by more than 18 percent.

**Federal Housing Administration Monthly Report**  
***Single Family Notes and Properties***

	Current Month Nov 2005		Current FYTD Oct-Nov 2005		Prior FYTD Oct-Nov 2004		Percent Change (Number)
	Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Notes (Beginning)</b>	320	\$ 11.6	318	\$ 11.7	398	\$ 14.4	-20%
Pay-Offs(-)	(5)	\$ (0.1)	(8)	\$ (0.2)	(13)	\$ (0.3)	-38%
Conversions(-)	(1)	\$ -	(3)	\$ -	(9)	\$ -	-67%
Sales(-)	-	\$ -	-	\$ -	-	\$ -	
Assignments MNA(+)	-	\$ -	6	\$ 0.1	-	\$ -	
Assignments PMM(+)	1	\$ -	1	\$ -	1	\$ 0.1	
Adjustments	1	\$ (0.1)	2	\$ (0.1)	4	\$ (0.4)	
<b>Notes (Ending)</b>	316	\$ 11.5	316	\$ 11.5	381	\$ 13.8	-17%
<b>Accelerated Claims Disposition Notes (Beginning)</b>	5,469	\$ 588.5	5,431	\$ 582.3	5,108	\$ 475.8	6%
Liquidations REO	(195)	\$ (19.2)	(378)	\$ (35.1)	(331)	\$ (29.2)	14%
Liquidations Notes	(927)	\$ (106.9)	(1,007)	\$ (116.4)	(489)	\$ (53.8)	106%
Additions	321	\$ 33.4	622	\$ 65.2	1,587	\$ 170.4	-61%
Repurchases and Write-Offs	-	\$ -	-	\$ -	(7)	\$ (1.0)	-100%
<b>Accelerated Claims Disposition Notes (Ending)</b>	4,668	\$ 495.9	4,668	\$ 495.9	5,868	\$ 562.2	-20%
<b>Properties (Beginning)</b>	28,983	\$ 2,879.1	28,888	\$ 2,860.6	26,808	\$ 2,564.2	8%
Sales(-)	(3,580)	\$ (356.5)	(7,776)	\$ (774.3)	(10,596)	\$ (1,019.9)	-27%
Conversions(+)	1	\$ -	3	\$ -	9	\$ -	-67%
Conveyances(+)	4,241	\$ 422.4	8,404	\$ 837.2	9,878	\$ 951.6	-15%
Adjustments	(90)	\$ (2.0)	36	\$ 19.6	198	\$ 35.1	
<b>Properties (Ending)</b>	29,555	\$ 2,943.0	29,555	\$ 2,943.0	26,297	\$ 2,531.1	12%

Note: Dollars represent unpaid balance for notes and acquisition cost for properties.

## *Single Family Detail*

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### **Defaults**

- At the end of October 2005, FHA's single family default rate reached a high of 6.76 percent, compared to 6.54 percent for the same period a year ago.
- The 50 metropolitan statistical areas (MSAs) with the highest default rates as of October 2005 accounted for 34.2 percent of the national total of defaults.
- 23 of the MSAs in the top 50 that have endorsed ARMS have higher default rates on FRMs than on ARMs.

### **Loss Mitigation Activity**

- Use of forbearance agreements to keep borrowers in their homes decreased 15 percent, comparing the first two months of FY 2006 with the same period a year ago.
- Through November of FY 2006, lenders used loan modifications a total of 4,782 times compared to 6,583 times during the same period last fiscal year.
- Lenders used partial Claims a total of 1,747 times during the first two months of FY 2006, compared to 2,472 times for the same period a year ago.

### **Insurance Claims**

- Through the month of November in this fiscal year, pre-foreclosure sales were 795, a decrease of 11 percent from the same period a year ago; while deeds-in-lieu for the same periods decreased 15 percent to 39.
- Conveyance foreclosure claims numbered 8,333 in the first two months of FY 2006, a decrease of 17 percent from the first two months of FY 2005 when there were 10,008.

**Federal Housing Administration Monthly Report**  
***Single Family Detail***

	Current Month Nov 2005 Number	Current FYTD Oct 2005-Nov 2005 Number	Prior FYTD Oct 2004-Nov 2004 Number	Percent Change
<b>Status of Insurance-in-Force*</b>				
Current	3,947,745	3,947,745	4,475,872	-12%
In Default (90 or more days delinquent)	286,435	286,435	313,335	-9%
Total Insurance-in-Force	4,234,180	4,234,180	4,789,207	-12%
Default Rate	6.76%	6.76%	6.54%	
<b>Loss Mitigation Activity **</b>				
Forbearance Agreements	1,852	3,847	4,526	-15%
Loan Modifications	2,436	4,782	6,583	-27%
Partial Claims	907	1,747	2,472	-29%
Total	5,195	10,376	13,581	-24%
<b>Insurance Claims</b>				
Conveyance Foreclosure	4,224	8,333	10,008	-17%
Pre-Foreclosure Sale	361	795	892	-11%
Deed-in-Lieu of Foreclosure	16	39	46	-15%
Other***	285	662	1,141	-42%
Total	4,886	9,829	12,087	-19%

\*October data: November data not available until after December 31, 2005.

\*\*Counts are based on settlement dates of loss mitigation claims.

\*\*\*Accelerated Claims Disposition Demonstration Program (601)

**Federal Housing Administration Monthly Report  
Single Family Detail (continued)**

**MSA's With The Highest Single Family Default Rates  
(Data as of October 2005)**

Rank	MSA Name	Default Rates						Total IIF			Defaults		
		Current Year Oct. 2005			Prior Year Oct. 2004			Current Year Oct. 2005	Prior Year Oct. 2004	Percent Change	Current Year Oct. 2005	Prior Year Oct. 2004	Percent Change
		Total	FRM	ARM	Total	FRM	ARM						
1	NEW ORLEANS, LA	15.71	15.64	19.56	8.45	8.40	11.53	33,387	36,451	-8%	5,245	3,081	70%
2	BILOXI-GULFPORT-PASCAGOULA, MS	13.96	14.01	12.63	6.37	6.32	7.77	5,824	6,044	-4%	813	385	111%
3	MEMPHIS, TN-AR-MS	12.91	12.90	13.10	13.07	13.09	12.86	54,071	59,335	-9%	6,981	7,757	-10%
4	CLEVELAND-LORAIN-ELYRIA, OH	12.88	12.76	14.37	12.30	12.21	13.42	32,538	34,531	-6%	4,190	4,247	-1%
5	HATTIESBURG, MS	12.70	12.62	16.67	7.99	8.11	0.00	1,110	1,064	4%	141	85	66%
6	GARY, IN	12.43	12.35	13.66	10.99	10.93	11.81	13,687	14,538	-6%	1,701	1,597	7%
7	YOUNGSTOWN-WARREN, OH	12.40	12.43	11.52	11.58	11.61	10.85	6,220	6,442	-3%	771	746	3%
8	VINELAND-MILLVILLE-BRIGETON, NJ	12.32	12.23	14.50	12.63	12.53	15.33	3,295	3,831	-14%	406	484	-16%
9	TOLEDO, OH	11.93	12.04	10.54	11.35	11.66	7.59	4,654	5,083	-8%	555	577	-4%
10	DETROIT, MI	11.92	12.42	8.92	10.71	11.40	6.23	66,776	73,108	-9%	7,961	7,832	2%
11	LAKE CHARLES, LA	11.59	11.50	20.00	5.61	5.66	0.00	1,406	1,552	-9%	163	87	87%
12	PHILADELPHIA, PA-NJ	11.42	11.37	12.26	11.44	11.34	13.12	83,645	99,201	-16%	9,552	11,350	-16%
13	TERRE HAUTE, IN	11.37	11.57	4.76	10.02	10.01	10.26	1,390	1,288	8%	158	129	22%
14	BIRMINGHAM, AL	10.94	10.95	10.78	10.45	10.47	10.08	21,198	23,451	-10%	2,318	2,450	-5%
15	TRENTON, NJ	10.84	10.66	13.10	10.82	10.86	10.28	4,033	4,721	-15%	437	511	-14%
16	MOBILE, AL	10.71	10.72	10.32	7.52	7.55	6.53	11,476	11,885	-3%	1,229	894	37%
17	BATON ROUGE, LA	10.66	10.66	10.94	8.91	8.94	7.25	13,855	15,058	-8%	1,477	1,342	10%
18	ROCKFORD, IL	10.57	10.55	10.84	10.59	10.37	13.31	8,092	8,543	-5%	855	905	-6%
19	HOUMA, LA	10.44	10.57	6.25	7.22	7.28	3.70	1,580	1,592	-1%	165	115	43%
20	FLINT, MI	10.40	10.44	9.76	8.65	8.80	6.13	9,579	10,411	-8%	996	900	11%
21	INDIANAPOLIS, IN	10.22	10.20	10.36	9.46	9.43	9.75	61,471	63,771	-4%	6,280	6,035	4%
22	ATLANTIC-CAPE MAY, NJ	10.14	9.91	13.41	9.78	9.47	14.42	5,278	6,584	-20%	535	644	-17%
23	NEWARK, NJ	10.13	10.17	9.62	10.40	10.51	8.91	17,160	21,887	-22%	1,738	2,277	-24%
24	NEWBURGH, NY-PA	10.03	10.21	6.25	9.82	9.79	10.47	1,725	2,169	-20%	173	213	-19%
25	SAGINAW-BAY CITY-MIDLAND, MI	10.01	10.11	8.68	8.79	8.93	6.81	5,955	6,054	-2%	596	532	12%

**Federal Housing Administration Monthly Report  
Single Family Detail (continued)**

**MSA's With The Highest Single Family Default Rates  
(Data as of October 2005)**

Rank	MSA Name	Default Rates						Total IIF			Defaults		
		Current Year Oct. 2005			Prior Year Oct. 2004			Current Year Oct. 2005	Prior Year Oct. 2004	Percent Change	Current Year Oct. 2005	Prior Year Oct. 2004	Percent Change
		Total	FRM	ARM	Total	FRM	ARM						
26	RACINE, WI	9.89	9.81	10.70	9.76	9.62	11.45	2,033	2,151	-5%	201	210	-4%
27	SHREVEPORT-BOSSIER CITY, LA	9.88	9.87	10.56	7.99	8.05	2.86	10,432	11,403	-9%	1,031	911	13%
28	ATLANTA, GA	9.87	9.97	9.19	9.63	9.78	8.50	143,232	152,642	-6%	14,138	14,706	-4%
29	COLUMBUS, OH	9.84	9.75	10.57	9.31	9.30	9.36	45,238	48,307	-6%	4,449	4,497	-1%
30	HAMILTON-MIDDLETOWN, OH	9.51	9.63	8.683	10.57	10.80	8.96	5,679	6,122	-7%	540	647	-17%
31	CHATTANOOGA, TN-GA	9.51	9.57	7.72	9.74	9.78	8.50	8,668	9,414	-8%	824	917	-10%
32	KOKOMO, IN	9.43	9.34	10.71	8.36	8.16	11.30	1,675	1,746	-4%	158	146	8%
33	BEAUMONT-PORT ARTHUR, TX	9.39	9.39	8.57	5.93	5.95	3.13	4,602	4,538	1%	432	269	61%
34	PEORIA-PEKIN, IL	9.26	9.42	4.07	8.37	8.50	4.20	4,083	3,954	3%	378	331	14%
35	CINCINNATI, OH-KY-IN	9.25	9.17	9.95	9.38	9.47	8.55	25,497	26,996	-6%	2,359	2,531	-7%
36	JACKSON, MS	9.25	9.14	13.03	7.23	7.15	10.86	17,219	18,206	-5%	1,592	1,317	21%
37	TUSCALOOSA, AL	9.25	9.21	9.64	8.95	8.89	9.84	2,812	2,759	2%	260	247	5%
38	DAYTON-SPRINGFIELD, OH	9.24	9.13	10.44	9.34	9.23	10.42	20,005	20,985	-5%	1,849	1,959	-6%
39	AKRON, OH	9.24	9.23	9.24	9.03	9.12	7.78	9,962	10,448	-5%	920	943	-2%
40	MANSFIELD, OH	9.21	9.36	7.746	8.51	8.41	9.46	1,552	1,516	2%	143	129	11%
41	KANKAKEE, IL	9.17	9.33	6.173	8.55	8.51	9.20	1,549	1,520	2%	142	130	9%
42	READING, PA	9.06	8.93	11.48	9.89	9.67	13.99	4,094	4,629	-12%	371	458	-19%
43	WILMINGTON-NEWARK, DE-MD	9.03	8.85	11.87	8.60	8.41	11.29	10,360	12,798	-19%	935	1,100	-15%
44	CHICAGO, IL	8.99	8.81	9.84	9.20	9.18	9.31	97,673	118,559	-18%	8,779	10,907	-20%
45	KENOSHA, WI	8.88	8.70	10.33	8.71	8.39	11.52	2,139	2,353	-9%	190	205	-7%
46	MUNCIE, IN	8.88	9.08	6.48	8.78	9.15	4.46	1,385	1,446	-4%	123	127	-3%
47	ANN ARBOR, MI	8.84	8.96	8.36	7.07	7.66	4.55	2,942	3,199	-8%	260	226	15%
48	NEW YORK, NY	8.77	8.55	11.18	10.45	10.43	10.77	21,034	29,178	-28%	1,844	3,050	-40%
49	EVANSVILLE-HENDERSON, IN-KY	8.72	8.94	5.076	8.04	8.25	4.14	3,418	3,222	6%	298	259	15%
50	CANTON-MASSILLON, OH	8.69	8.79	7.884	8.69	8.87	7.02	4,440	4,548	-2%	386	395	-2%
											42,602		

Source SFDW

Data as of October 2005

## ***Title I Portfolios***

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### **Insurance-in-Force**

- Property improvement insurance-in-force in November 2005 declined to 38,056 loans, down 27 percent from this period last year.
- Manufactured housing insurance-in-force declined to 27,526 loans, a drop of 16 percent from this same period a year ago.

### **Prepayments**

- Property improvement loan prepayments for the first two months of FY 2006 decreased 36 percent from the number reported for the same period last fiscal year.
- Manufactured housing loan prepayments in the first two months of this fiscal year decreased 31 percent from the number reported for the same period in the prior fiscal year.

### **Claims**

- For the first two months of FY 2006, property improvement claim terminations processed decreased by 42 percent from the number of claim terminations for the same period in FY 2005.
- During these two months, manufactured housing claims processed decreased 46 percent from the number of claims reported for this same period in FY 2005.

### **Endorsements**

- Property improvement endorsements decreased 5 percent to 632 for the first two months of FY 2006 from 668 for this same period in FY 2005.
- During the first two months of FY 2006, there were 222 manufactured housing endorsements, down 45 percent from the 401 reported in the corresponding period of FY 2005.

### **Notes**

- The Title I note portfolio included 25,503 notes after the first two months of FY 2006, compared to 31,144 at this same time in the previous fiscal year.
- During the first two months of FY 2006, a total of 732 Title I note collection cases were closed, 12 percent less than the 832 cases closed during the same period in FY 2005.

**Federal Housing Administration Monthly Report**  
**Title I Portfolios**

	Current Month Nov 2005		Current FYTD Oct-Nov 2005		Prior FYTD Oct-Nov 2004		Percent Change (Number)
	Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Insurance-in-Force (Beginning)</b>							
Property Improvement	38,974	\$ 562.8	55,524	\$ 796.0	81,672	\$ 1,185.6	-32%
Manufactured Housing	27,870	\$ 784.1	33,707	\$ 900.7	37,980	\$ 987.6	-11%
Prepayments(-)							
Property Improvement	(1,088)	(15)	(2,380)	(32)	(3,716)	(51.4)	-36%
Manufactured Housing	(402)	(10)	(908)	(22)	(1,325)	(31.9)	-31%
Claim Terminations(-)							
Property Improvement	(15)	(0)	(43)	(0)	(74)	(1.1)	-42%
Manufactured Housing	(14)	(0)	(35)	(1)	(65)	(1.8)	-46%
Endorsements(+)							
Property Improvement	281	\$ 4.1	632	\$ 8.8	668	\$ 9.2	-5%
Manufactured Housing	105	\$ 3.9	222	\$ 8.2	401	\$ 14.3	-45%
Adjustments							
Property Improvement	(96)	\$ (1.4)	(15,677)	\$ (221.8)	(26,507)	\$ (394.7)	
Manufactured Housing	(33)	\$ (1.2)	(5,460)	\$ (109.5)	(4,326)	\$ (88.9)	
<b>Insurance-in-Force (Ending)</b>							
Property Improvement	38,056	\$ 550.6	38,056	\$ 550.6	52,043	\$ 747.7	-27%
Manufactured Housing	27,526	\$ 776.8	27,526	\$ 776.8	32,665	\$ 879.3	-16%
<b>Notes (Beginning)</b>	25,931	\$ 348.3	26,407	\$ 352.8	32,094	\$ 418.5	-18%
New Cases Assigned(+)	78	\$ 0.9	165	\$ 1.7	177	\$ 1.8	-7%
Interest Accrual(+)	N/A	\$ 1.1	N/A	\$ 2.2	N/A	\$ 2.6	
Net Collections(-)	N/A	\$ (1.3)	N/A	\$ (2.4)	N/A	\$ (3.6)	
Cases Closed(-)	(381)	\$ (3.0)	(732)	\$ (6.0)	(832)	\$ (8.3)	-12%
Adjustments	(125)	\$ (1.5)	(337)	\$ (3.8)	(295)	\$ (1.7)	
<b>Notes (Ending)</b>	25,503	\$ 344.5	25,503	\$ 344.5	31,144	\$ 409.3	-18%

Note: Dollars represent original loan proceeds for insurance-in-force and unpaid balance for notes.

The November Title I portfolio includes cases classified as Currently Not Collectable (14,213 cases totaling \$222.9 million dollars)



## *Commitments and GI/SRI Credit Subsidy*

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### **MMIF**

- MMIF commitments equaled \$8.4 billion through the second month of FY 2006.
- The MMIF commitment authority is under continuing resolution at this time.

### **GIF/SRIF**

- GIF/SRIF commitments, which, for multifamily programs, include only those programs that are in positive credit subsidy risk Categories, total \$2.1 billion through the second month of FY 2006.
- The GIF/SRIF commitment authority is under continuing resolution at this time.

### **GI/SRI Credit Subsidy**

- FHA used a total of \$11 thousand in credit subsidy through the second month of FY 2006.
- FHA authority is continuing resolution at this time.

**Federal Housing Administration Monthly Report**  
**Commitments & Credit Subsidy**  
**By Program and Month: FY 2006**

*Dollars in Millions*

<b>Commitments</b>								
<b>Fiscal Year 2006</b>	<b>MMIF</b>	<b>GI/SRIF Total</b>	<b>Section 234</b>	<b>Section 203(k)</b>	<b>GI/SRI Other SF*</b>	<b>Title I Property Improvement</b>	<b>Title I Mobile Homes</b>	<b>GIF/SRIF Multifamily**</b>
Oct	\$ 4,355.861	\$ 1,083.380	\$ 289.079	\$ 35.253	\$ 749.941	\$ 4.773	\$ 4.334	\$ -
Nov	\$ 4,032.599	\$ 1,047.440	\$ 273.475	\$ 36.338	\$ 729.720	\$ 4.057	\$ 3.850	\$ -
Dec	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Jan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Feb	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Mar	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Apr	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
May	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Jun	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Jul	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aug	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sep	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>FYTD 2006 Total</b>	<b>\$ 8,388.460</b>	<b>\$ 2,130.820</b>	<b>\$ 562.555</b>	<b>\$ 71.591</b>	<b>\$ 1,479.660</b>	<b>\$ 8.830</b>	<b>\$ 8.184</b>	<b>\$ -</b>
<b>FY 2005 Total</b>	<b>\$ 57,484.377</b>	<b>\$ 10,645.270</b>	<b>\$ 36,825.801</b>	<b>\$ 415.599</b>	<b>\$ 6,287.786</b>	<b>\$ 50.272</b>	<b>\$ 65.813</b>	<b>\$ 8.533</b>
<b>FY 2006 Annualized</b>	<b>\$ 50,330.759</b>	<b>\$ 12,784.921</b>	<b>\$ 3,375.328</b>	<b>\$ 429.545</b>	<b>\$ 8,877.963</b>	<b>\$ 52.980</b>	<b>\$ 49.106</b>	<b>\$ -</b>
<b>FY 2006 Authority(a)</b>	<b>\$ -</b>	<b>\$ -</b>						

<b>Credit Subsidy</b>								
<b>Fiscal Year 2006</b>	<b>MMIF</b>	<b>GI/SRIF Total</b>	<b>Section 234</b>	<b>Section 203(k)</b>	<b>GI/SRI Other SF</b>	<b>Title I Property Improvement</b>	<b>Title I Mobile Homes</b>	<b>GIF/SRIF Multifamily**</b>
<i>Subsidy Factor</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>0.0014</i>	<i>Various</i>
Oct	N/A	\$ 0.006	N/A	N/A	N/A	N/A	\$ 0.006	\$ -
Nov	N/A	\$ 0.005	N/A	N/A	N/A	N/A	\$ 0.005	\$ -
Dec	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
Jan	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
Feb	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
Mar	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
Apr	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
May	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
Jun	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
Jul	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
Aug	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
Sep	N/A	\$ -	N/A	N/A	N/A	N/A	\$ -	\$ -
<b>FYTD 2006 Total</b>	<b>N/A</b>	<b>\$ 0.011</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.011</b>	<b>\$ -</b>
<b>FY 2005 Total</b>	<b>N/A</b>	<b>\$ 0.571</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.095</b>	<b>\$ 0.479</b>
<b>FY 2006 Annualized</b>	<b>N/A</b>	<b>\$ 0.069</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.069</b>	<b>\$ -</b>
<b>FY 2006 Authority(a)</b>	<b>N/A</b>	<b>\$ -</b>						

\* includes HECMs

\*\* includes only those Multifamily programs that are in positive credit subsidy risk categories

(a) Department is under continuing resolution status

## ***Single Family Market Comparisons***

***(Due to a lag in reporting of conventional information, these notes describe data for the previous month)***

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### **Insured Mortgage Applications**

- Total mortgage insurance applications decreased 20 percent in the first month of this fiscal year compared to the same period in FY 2005.
- For FY 2006, FHA applications decreased 23 percent; this compares to a 20 percent decrease in conventional mortgage applications and 10 percent increase in VA guarantee applications.
- FHA's share of total mortgage insurance applications was 32 percent for the first month of the fiscal year compared to 33 percent during the same period a year ago

### **Insured Mortgage Endorsements**

- The FHA endorsements dollars decreased 23 percent in the first month of FY 2006 compared to the same period a year ago.
- FHA's share of insured mortgage endorsement dollars is 21 percent for the first month of FY 2006 compared to 24 percent during the same time in FY 2005.
- The share for conventional insurers is 70 percent and VA's share is 10 percent.

### **Home Sales Market**

- The number of FHA purchase mortgages decreased 23 in the first month of FY 2006 compared to the same period a year ago.
- Overall, home sales are up 7 percent in the first month of FY 2006 compared to the same period in FY 2005.
- FHA's share of home sales was 4.0 percent for the first month this fiscal year compared to 5.5 percent for the same period in FY 2005.

## Single Family Market Comparisons

(Due to a lag in reporting of conventional information, these data are for the previous month)

Current Month Oct 2005				Current FYTD Oct. 2005				Prior FYTD Oct. 2004				Percent Change (Number)
Number		Application Share		Number		Application Share		Number		Application Share		
INSURED MORTGAGE APPLICATIONS												
Conventional	113,125	60%		113,125	60%		142,087	61%		-20%		
FHA *	59,285	32%		59,285	32%		77,252	33%		-23%		
VA	15,085 ****	8%		15,085	8%		13,705	6%		10%		
TOTAL	187,495	100%		187,495	100%		233,044	100%		-20%		
Number		Dollars (\$M)	Insured Share (\$)	Number		Dollars (\$M)	Insured Share (\$)	Number		Dollars (\$M)	Insured Share (\$)	Percent Change (Dollars)
INSURED MORTGAGE ENDORSEMENTS												
Conventional	107,089	\$ 15,955.6	70%	107,089	\$ 15,955.6	70%	135,124	\$ 17,597.3	69%	-9%		
FHA	37,846	\$ 4,702.2	21%	37,846	\$ 4,702.2	21%	50,526	\$ 6,102.1	24%	-23%		
VA	13,922	\$ 2,255.9	10%	13,922	\$ 2,255.9	10%	13,701	\$ 1,935.3	8%	17%		
TOTAL	158,857	\$ 22,913.7	100%	158,857	\$ 22,913.7	100%	199,351	\$ 25,634.7	100%	-11%		
Number		FHA Share		Number		FHA Share		Number		FHA Share		Percent Change (Number)
HOMES SALES MARKET												
FHA Purchase Mortgages**	28,169	4.0%		28,169	4.0%		36,652	5.5%		-23%		
Home Sales***	712,500			712,500			666,750			7%		

\* Data for applications are for September 18, 2005 - October 22, 2005 for current month; September 18, 2005 - October 22, 2005 for current FYTD, and September 19, 2004 - October 23, 2004 for prior FYTD.

\*\* FHA insured minus FHA refinancings

\*\*\* Includes new and existing construction home sales and a month lag between home sale and FHA endorsement of mortgage to purchase home.

Note: Dollars represent original amounts insured

\*\*\*\* estimated VA current month applications

# Executive Summary

## Status of FY 2005 Housing Contracts and System Funds

As of November 2005

**Data is not available for publishing**